

FORISK NEWS

Q2 2025 Edition • May 13, 2025

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NEW BOOKS!

Forisk is excited to announce the release of the newest editions of two popular forestry resources authored by Founder and CEO Brooks Mendell: *Forest Finance Simplified, 7th Edition* and *Aunt Fanny Learns Forestry, 2nd Edition*. The books can be purchased through [Forisk's website](#) or Amazon.

ABOUT FORISK

Forisk helps the forest industry make better decisions. We discover how things work through conducting applied research related to timber markets, wood bioenergy, and forest operations. Founded in 2004 and headquartered in Athens, Georgia, **Forisk conducts original, nationally cited research**. Leading media outlets – including *The Wall Street Journal*, *New York Times*, and National Public Radio – cite our analysis.

Current Forisk clients account for over 250 million tons of annual wood use and over 100 million acres of timberland ownership in North America. You can learn more about our company, our services, and our products at www.forisk.com.



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Welcome to the Q2 edition of the *Forisk News*!

Since the previous *Forisk News* went to press, members of the Forisk team presented research and workshops on forest finance, forest economics and policy, timberland investment models, forest operations, and mill capital investments to audiences and participants from 20 U.S. states, three Canadian provinces, and four continents.

For those interested in continuing education, registration opens soon for the [Timber Market Analysis](#) class, which will be held virtually on October 1st and 2nd, 2025. Save the dates, this class is only offered once per year!

Announcing an Expansion of Forisk's *Wood Fiber Review (WFR)* Report!

Forisk has expanded coverage in the [Wood Fiber Review \(WFR\)](#) report to include ongoing analysis of North America's softwood lumber sector and log prices in the Pacific Northwest.

Forisk's **Wood Fiber Review** provides a quarterly review of pulpwood, chips, biomass markets, and trade in the U.S. and Canada. The new ongoing analysis of North America's softwood lumber sector focuses on productivity, utilization rates, profitability, and residuals. Tracking wood fiber costs supports investment and operational decisions across a range of manufacturing facilities and markets within the forest sector.

The new western log price coverage includes current prices and pricing trends for domestic #2 and export logs for Douglas-fir and hemlock for coastal Oregon and Washington.

Contact Nick DiLuzio (ndiluzio@forisk.com) or visit our [website](#) to learn more about the **Wood Fiber Review**!

RECENT HIGHLIGHTS FROM FORISK'S BLOG

- [North America's Top Timberland Owners and Managers, 2025 Update](#)
- [What Would Be Required for the U.S. to be Self-Sufficient for Softwood Lumber?](#)
- [U.S. Housing Starts Outlook, Q2 2025 Update](#)
- [How to Compare Timber Markets and Wood Baskets During Trade Wars, Recessions, and Recoveries](#)
- [Forisk Wood Fiber Review Adds New Content Tracking Lumber Sector Performance](#)
- [Are Local Markets Important?](#)
- [What Questions can the Forisk Custom Market Forecast Answer?](#)
- [Financial Analysis in Three Steps](#)
- [Forisk Timberland Transactions: 2024 Review](#)
- [Timberland Investments: Physical Facts Affect Technology, Tariffs, and Trying to Increase Harvests from Public Forests](#)

SELECT FINDINGS FROM THE Q2 2025 FORISK RESEARCH QUARTERLY (FRQ)

The Q2 2025 [Forisk Research Quarterly \(FRQ\)](#) includes industry analysis and market forecasts through 2034 for timber prices, logging costs, softwood lumber production, structural panels production, paper and paperboard production, forest supplies, and wood bioenergy markets. **Select summary findings from the Q2 FRQ report include:**

- **Macro and Housing:** The economy contracted at a -0.3% annualized pace in Q1 2025. The labor market added fewer jobs in Q1 than it did during Q4 2024, while unemployment remained steady at 4.1%. Yields on 10-year U.S. Treasuries rose to 4.5% in Q1 2025 from 4.3% during Q4 2024. Single family starts declined 1.4% in Q1 2025 relative to last year, while multifamily starts declined by 1.9%.
- **Lumber:** North American softwood lumber production was flat for Q4 2024 year-over-year. In 2024, softwood lumber imports into the U.S. represented 27% of U.S. lumber production. The softwood lumber Producer Price Index gained 3% in Q1 2025 and increased 1% year-over-year.
- **Structural Panels (OSB & Plywood):** Quarter-over-quarter average U.S. structural panel prices declined 9% for OSB and gained 1% for plywood in Q1 2025. Capital projects in the structural panel sector will expand North American capacity over 4.1 BSF and cost an estimated \$1.7 billion through 2027. Canada accounted for 50% (1.1 BSF) of all U.S. structural panel imports through February 2025.
- **Pulp & Paper:** Paper and paperboard production fell 1.8% in Q1 2025. Packaging production fell 1.4% for the quarter, down 0.6% year-over-year. Tissue and printing and writing production decreased 3.1% and 2.5%, respectively in Q1 2025. OCC prices dropped 4% in Q1 and are down 21% year-over-year. Market pulp prices were mixed in Q1 2025 and remained up year-over-year.
- **Wood Bioenergy:** Bioenergy products that pass Forisk's [Wood Bioenergy Database](#) screening plan to consume 101.4 million green tons per year of wood across the country. The U.S. South leads all regions in total projects and demand. Most bioenergy projects continue to be in the biomass-to-electricity, CHP, and pellet segments, though renewable hydrocarbon projects (liquid fuel and biochar) are increasing. Through February 2025, U.S. wood pellet exports increased 13% year-over-year while Canadian wood pellet exports increased 34%.
- **Log & Chip Exports:** Through February 2025, year-over-year Canadian softwood exports were down 13% while U.S. softwood log exports were down 7%. U.S. South softwood chip exports for the same period were up 14%. Year-to-date southern softwood log exports decreased 14% year-over-year and western softwood log exports decreased 24%, while northern softwood log exports rose 10%. The top three U.S. forestry commodity trade partners, Canada, Japan, and China, account for 84% of U.S. log and chip exports.
- **Timberland Investments:** Public timber REITs returned -9.6% YTD through April 25th after returning -19.1% in 2024. All three timber REITs are trading below where they started 2025. As a sector, public timber REITs decreased 14.5% for the quarter according to the market cap weighted [Forisk Timber REIT Index \(FTR\)](#). Just over 0.9 million acres of industrial timberland transactions closed in the United States for the last four quarters. TIMOs accounted for 61% of the acreage bought, while private sellers accounted for 45% of the acreage sold.
- **Forest Operations:** Logging employment declined year-over-year in every North American region for a third consecutive quarter. Four-quarter average employment fell more than 2% in every region but West Canada. Logging wages increased across North America, outside of West Canada. Trucking freight shipments reached their lowest levels since 2021.
- **Timber Markets, U.S. South:** Southern stumpage prices decreased for all products except pine sawtimber in Q1 2025, according to Timber Mart-South. The 2025 forecast for pine sawtimber increases 1.2% over the 2024 price. Pine pulpwood stumpage prices are projected to increase the most through 2029 in Alabama and Georgia.
- **Log Prices, Pacific Northwest:** Domestic Douglas-fir log prices rose 15% quarter-over-quarter in Oregon and 7% in Washington. Export Doug-fir prices rose 5%, while export hemlock prices decreased 5%. Forisk's "base case" projects a slight increase for Doug-fir prices in 2025 followed by larger increases in 2026. Logging and hauling costs increase slightly over the next decade due to a steady diesel price forecast.
- **Hardwood Markets, U.S. North:** Forisk's Hardwood Price Index increased 0.7% in Q4 2024, up 9.0% year-over-year. Red oak led last 4Q starting price increases in the Lake States. Red oak and hard maple expect to increase the most in all regions in 2025.

To learn more about the Forisk Research Quarterly (FRQ) subscription, [click here](#) or contact Nick DiLuzio at ndiluzio@forisk.com.

FORISK IN THE NEWS

- ▶ Brooks Mendell recently published two new books: [*Forest Finance Simplified, 7th Edition*](#) and [*Aunt Fanny Learns Forestry, 2nd Edition*](#). Both books are available in physical or digital formats.
- ▶ Forisk Research Release, March 2025: North America's Top 10 Softwood Lumber Firms Could Produce 35 Billion Board Feet of Lumber.
- ▶ Forisk Research Release, March 2025: Weighted Year-Over-Year Wood Fiber Prices Are Mixed for North America.
- ▶ Forisk article "[Forest Finance Simplified: Three Steps and an Example](#)" featured in *LandThink*

UPDATES FROM FORISK

- ▶ **June 10, 2025:** Brooks Mendell will keynote AgWest Farm Credit's [Forest Products Summit](#) in Portland, OR.
- ▶ **July 26, 2025:** Amanda Lang will moderate a panel at the [Georgia Forestry Association Annual Conference](#) in Jekyll Island, GA.
- ▶ **August 28, 2025:** Amanda Lang will be speaking at the [Florida Forestry Association Annual Meeting](#) in Miramar Beach, FL.
- ▶ **September 17, 2025:** Brooks Mendell will keynote the [North Carolina Forestry Association 2025 Annual Meeting](#) in Greensboro, NC.
- ▶ Forisk's annual **Timber Market Analysis Class** will be hosted virtually on October 1-2, 2025. Registration will open soon. [Visit Forisk's website to learn more.](#)

FORISK RESEARCH & DATA SUBSCRIPTIONS

- ▶ [Forisk Research Quarterly \(FRQ\)](#)
- ▶ [Forisk Custom Market Forecast \(CMF\)](#)
- ▶ [Forisk Wood Fiber Review \(WFR\)](#)
- ▶ [Forisk North American Mill Capacity Database](#)

Contact Nick DiLuzio to learn more about any of these products:
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SPECIAL RESEARCH IN THE Q2 FRQ

Featured Research: 2025 Southern Silviculture Survey

This article summarizes the seventh biennial survey of forest management practices in the U.S. South, covering 23 million acres of timberland managed by 36 firms. The results highlight declining planting densities, reduction in two-thinning regimes, and continued gains in annual growth.

Market Update, Q2 2025: In this edition of quarterly observations and summary analysis of forest industry trends, we begin with observations on the current "market for money" as reflected by the yield curve. Then, we compare current log prices in the Pacific Northwest. Finally, we look at what would be required for the U.S. to be softwood lumber self-sufficient.

Forisk Facts & Figures: Forisk's quarterly "story in three slides" provides a current snapshot of Forisk's research into [North America's largest timberland owners and managers](#). What does the timberland research cover, who are the largest timberland owners, and how has this changed over time?

NORTH AMERICA'S TOP 10 SOFTWOOD LUMBER FIRMS COULD PRODUCE 35 BILLION BOARD FEET OF LUMBER; WEST FRASER IS THE LARGEST PRODUCER, FOLLOWED BY WEYERHAEUSER

North American lumber capacity increased over 1% in 2024 while the top ten producers shed almost 5% of their total capacity by shuttering 13 softwood lumber mills. Forisk tracks over 2,300 forest industry mills, including planned capacity changes, to publish the [North American Forest Industry Capacity Database](#) (Mill Capacity Database) and generate industry research and projections in the [Forisk Research Quarterly](#). From the Mill Database, Forisk annually publishes a list of the [top 10 softwood lumber producers in North America](#), along with notes on the year-over-year changes. [Read the full Research Release here.](#)

WEIGHTED YEAR-OVER-YEAR WOOD FIBER PRICES ARE MIXED FOR NORTH AMERICA

The [Forisk Wood Fiber Review \(FWFR\)](#) reports that U.S softwood fiber prices were flat year-over-year through Q1 2025, while Canadian prices climbed by 9%. Quarterly price declines in the U.S. are attributed to market adjustments mostly in the Southeast, where the region is still trying to recover as much Hurricane Helene downed fiber as possible. In Canada, prices generally saw moderate increases with the new political uncertainty regarding trade policies and weakening Canadian Dollar.

Canadian chip prices increased 5% year-over-year. In British Columbia, softwood pulplog prices were flat for the quarter. Delivered softwood chip prices fell by 3% in Alberta but increased 13% in East Ontario/Quebec and 6% in British Columbia year-over-year. U.S. roundwood prices increased 2% year-over-year and chip prices fell by 3%, though this varied regionally. [Read the full Research Release here.](#)